

NEWS RELEASE

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‘Stronger Memphis’ budget proposal keeps taxes level, improves youth opportunities, strengthens public safety

April 25, 2017 | Calling it an outline for a stronger Memphis, Mayor **Jim Strickland** today unveiled a 2017-18 budget proposal that increases opportunities for young people, strengthens public safety and continues an emphasis on improving core city services – all without a property tax increase.

“When we’re smart stewards of the public’s money and run an efficient government, it truly is possible to increase what we do for young people, continue to solidify public safety, double down on infrastructure and core services, and still not place the burden of a property tax increase on our citizens,” Mayor Strickland said. “We started last year by outlining what it meant to be ‘brilliant at the basics,’ and this proposal continues on that path toward a stronger Memphis.”

Mayor Strickland’s proposed budget, presented during today’s regular Memphis City Council meeting, will increase opportunities for young people by keeping libraries open longer hours, including re-opening 10 library branches on Fridays that had been closed on that day for many years. All 24 summer camps will have literacy components, up from seven last year. Spring break camps will take place next spring. Funding for youth jobs opportunities is sustained.

The proposed budget makes Memphis safer by funding pay increases to improve Memphis Police retention, increasing staffing through large recruiting classes, fully staffing and making improvements to technology for the 911 call center and allocating more for overtime to concentrate policing efforts in high-crime areas as determined by data.

Mayor Strickland also proposed to increase the administration’s emphasis on smoother streets and better infrastructure. The proposal calls for \$18.5 million in street paving, a \$2 million increase from the current budget (FY 2017), a \$3.5 million increase from FY 2016 -- and almost double the \$9.5 million spent in FY 2015.

The proposed budget sustains the prior year’s funding increases to Memphis Area Transit Authority, and it continues city funding to the Work Local partnership that offers homeless Memphians work and opportunity.

Increases in storm water and sewer fees – a total of about \$5 per household per month -- were proposed. The fee increases are prompted in part by the federal consent decree governing sewer improvements and plans to better control flooding.

Mayor Strickland proposed spending \$55.1 million toward the city’s pension fund, which is 88 percent of the actuarial required contribution. That’s five percentage points higher than required by the state for FY 2018, as the city continues toward fully funding its annual pension contribution by 2020.

Mayor Jim Strickland

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The most important parts of the budget proposal are the operating budget, which pays for the city's day-to-day expenses such as personnel and supplies; and the capital improvement plan budget, which issues debt to pay for long-term improvements such as paving and other infrastructure needs. The proposed general fund budget is \$668.7 million; the proposed general obligation bond-funded capital improvement budget is \$77.8 million.

This proposed budget will not call for a property tax increase. The office of the Shelby County Assessor of Property recently completed its every-four-years reappraisal of property values, and average values in Memphis have increased. The increase will result in a new, lower certified tax rate -- which state law mandates so that higher values still produce the same amount of tax revenue for local governments.

The certified tax rate for Memphis will be determined shortly, and it will be the tax rate endorsed by Mayor Strickland.

The City of Memphis charter calls for the mayor to propose the budget and for the City Council to ultimately approve it on or before July 1, the start of the next fiscal year. Budget hearings, where individual divisions and agencies detail their requests for members of the City Council, begin May 2.

ONLINE: Visit memphistn.gov/strongermemphis for budget documents, Mayor Strickland's prepared remarks, and a schedule of upcoming budget hearings.

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